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RONALD C. WESTON, SR., CLERK  
U.S. DISTRICT COURT  
WESTERN DISTRICT OF MICHIGAN  
BY: MC

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and

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f/k/a Century 21 Real Estate Corporation

Case No. 1:07CV0506

Plaintiff

/

In Re:

MARSHCO VENTURES, LLC and  
BRAD VENEKLASE

Defendants.

3000 7/9/07 /

**ANSWER TO COMPLAINT**

Defendants MARSHCO VENTURES LLC and Brad Veneklase answer as follows:

**I. PARTIES AND SUBJECT MATTER JURISDICTION**

1. Admit
2. Admit
3. Admit
4. Admit
5. Admit
6. Admit
7. Admit
8. Admit

**II. ALLEGATIONS COMMON TO ALL CLAIMS**

A. The Licensor

9. Admit
10. Admit
11. Admit

B. The Franchise Agreement between Century 21 and Pearson Cook

12. Cannot Admit or Deny
13. Cannot Admit or Deny
14. Cannot Admit or Deny
15. Cannot Admit or Deny
16. Cannot Admit or Deny
17. Cannot Admit or Deny
18. Cannot Admit or Deny % of ownership interest Admit I am the son of Patti Fore
19. Cannot Admit or Deny

C. The Royalty Fee Due Under Franchise Agreements

20. Cannot Admit or Deny
21. Cannot Admit or Deny
22. Cannot Admit or Deny
23. Cannot Admit or Deny
24. Cannot Admit or Deny

D. National Advertising Fund Contributions Under the Franchise Agreements

25. Cannot Admit or Deny
26. Cannot Admit or Deny
27. Cannot Admit or Deny

E. Other Amounts Due Under Franchise Agreements

- 28. Cannot Admit or Deny
- 29. Cannot Admit or Deny

F. The Guaranty

- 30. Cannot Admit or Deny
- 31. Cannot Admit or Deny
- 32. Cannot Admit or Deny
- 33. Cannot Admit or Deny

G. The Promissory Notes from Pearson and the Fores to Century 21

- 34. Cannot Admit or Deny
- 35. Cannot Admit or Deny
- 36. Cannot Admit or Deny
- 37. Cannot Admit or Deny
- 38. Cannot Admit or Deny
- 39. Cannot Admit or Deny
- 40. Cannot Admit or Deny
- 41. Cannot Admit or Deny
- 42. Cannot Admit or Deny
- 43. Cannot Admit or Deny
- 44. Cannot Admit or Deny
- 45. Cannot Admit or Deny
- 46. Cannot Admit or Deny
- 47. Cannot Admit or Deny
- 48. Cannot Admit or Deny

H. The Security Agreements

- 49. Cannot Admit or Deny
- 50. Cannot Admit or Deny
- 51. Cannot Admit or Deny
- 52. Cannot Admit or Deny
- 53. Cannot Admit or Deny
- 54. Cannot Admit or Deny
- 55. Cannot Admit or Deny
- 56. Cannot Admit or Deny
- 57. Cannot Admit or Deny
- 58. Cannot Admit or Deny
- 59. Cannot Admit or Deny
- 60. Cannot Admit or Deny
- 61. Cannot Admit or Deny

I. The District Court Litigation

- 62. Cannot Admit or Deny
- 63. Cannot Admit or Deny
- 64. Cannot Admit or Deny

65. Cannot Admit or Deny  
66. Cannot Admit or Deny  
67. Cannot Admit or Deny  
68. Cannot Admit or Deny  
69. Cannot Admit or Deny  
70. Cannot Admit or Deny  
71. Cannot Admit or Deny

J. Debtors Induce Century 21 to Refrain from Fully Executing on the Amended Consent Judgment and Terminating Pearson as a Century 21 Franchise  
72. Cannot Admit or Deny  
73. Cannot Admit or Deny  
74. Cannot Admit or Deny  
75. Cannot Admit or Deny

K. The Cessation of Operations by Pearson and the Transfer of Century 21's Collateral  
76. Cannot Admit or Deny  
77. Cannot Admit or Deny  
78. Cannot Admit or Deny  
79. Cannot Admit or Deny  
80. Admit  
81. Deny  
82. Cannot Admit or Deny  
83. Cannot Admit or Deny  
84. Cannot Admit or Deny  
85. Cannot Admit or Deny  
86. Cannot Admit or Deny  
87. Cannot Admit or Deny  
88. Cannot Admit or Deny  
89. Cannot Admit or Deny  
90. Cannot Admit or Deny  
91. Cannot Admit or Deny  
92. Deny  
93. Deny  
94. Cannot Admit or Deny  
95. Cannot Admit or Deny  
96. Cannot Admit or Deny

L. The Termination of the Franchise Agreements and the Appointment of a Receiver  
97. Cannot Admit or Deny  
98. Cannot Admit or Deny  
99. Cannot Admit or Deny  
100. Cannot Admit or Deny  
101. Cannot Admit or Deny

102. Cannot Admit or Deny

M. MARSHCO

103. Admit

104. Admit. Defendant is son of Patti Fore.

105. Admit

106. Admit. Accept allegation that both offices were formerly occupied by Pearson which is denied.

MARSHCO occupies 2 offices, one at 1550 East Beltline SE, Suite 375 and one at 4283 Lake Michigan Drive NW, Suite A.

Only the Lake Michigan Drive Office was a former Century 21 Pearson Cook Office.

107. Deny

108. Deny

109. Admit

110. Deny

111. Deny on transfer of assets, equipment and goodwill from Pearson. Admit there was no consideration for listing agreements.

112. Admit

113. Deny – Patti Fore is an Independent Contractor not an employee

114. Deny – Timothy Fore is an Independent Contractor not an employee

#### **FIRST COUNT-DE FACTO MERGER**

115. Defendants incorporate by reference each and every paragraph in their answer.

116. Deny

117. Admit. However, there were no assets transferred from Pearson to Marshco.

118. Admit defendant, Veneklase, is the son of Patti Fore and the owner of Marshco. All other allegations are denied.

119. Deny

120. Deny

121. Deny

122. Deny

123. Deny

**WHEREFORE**, defendants request that “A Judgment of No Cause for Action” be entered.

#### **SECOND COUNT – SUCCESSOR LIABILITY**

124. Defendants incorporate by reference each and every paragraph in their answer.

125. Deny

126. Deny

- 127. Deny
- 128. Deny
- 129. Deny
- 130. Deny
- 131. Deny
- 132. Deny
- 133. Deny
- 134. Deny
- 135. Deny

**WHEREFORE**, defendants request that “A Judgment of No Cause for Action” be entered.

#### **THIRD COUNT – TORTIOUS INTERFERENCE**

- 136. Defendants incorporate by reference each and every paragraph in their answer.
- 137. Cannot Admit or Deny
- 138. Deny
- 139. Marshco denies the allegation. Veneklase knew Pearson-Cook was a franchisee of Century 21. Any other allegation is either admitted or denied.
- 140. Deny
- 141. Deny
- 142. Deny
- 143. Deny
- 144. Deny
- 145. Cannot Admit or Deny
- 146. Deny
- 147. Deny
- 148. Deny
- 149. Deny
- 150. Deny

**WHEREFORE**, defendants request that “A Judgment of No Cause for Action” be entered.

#### **FOURTH COUNT – COMMON LAW CONVERSION**

- 151. Defendants incorporate by reference each and every paragraph in their answer.
- 152. Deny
- 153. Deny

154. Deny

**WHEREFORE**, defendants request that “A Judgment of No Cause for Action” be entered.

#### **FIFTH COUNT STATUTORY CONVERSION**

155. Defendants incorporate by reference each and every paragraph in their answer.
156. Deny
157. Deny
158. Deny

**WHEREFORE**, defendants request that “A Judgment of No Cause for Action” be entered.

#### **SIXTH COUNT – UNJUST ENRICHMENT**

159. Defendants incorporate by reference each and every paragraph in their answer.
160. Deny
161. Deny
162. Deny

**WHEREFORE**, defendants request that “A Judgment of No Cause for Action” be entered.

#### **RELIEF REQUESTED**

Defendants Marshco and Veneklase request the case be dismissed and that they be awarded all of the costs, fees, and expenses incurred in the defense.

3sull 7/9/07  
Bradley Veneklase

Marshco Ventures

By: 3sull 7/9/07  
Bradley Veneklase, its member